



Bank On Indiana - Best Practices Guide (Revised Nov. 2011)

Successful “Bank On” campaigns bring together local government leaders, financial institutions, and community organizations to collaborate in the creation of appropriate and affordable basic banking products and improving access to the information unbanked individuals need to succeed in building a more stable financial future.

While each community’s Bank On may differ slightly, every Bank On campaign/program should at minimum include the following elements. Use this as a check list. *Bank On Indiana* asks Local Bank On campaigns to complete a *Bank On Indiana Participation Agreement*.

1. **Stakeholder Involvement and Coordination:** Bank On success requires involvement of many players in a community. Successful Bank On programs will include Financial Institutions and Community Organizations. Elected officials may engage in the process to increase attention to the program.
 - Financial Institutions – Be sure to invite ALL banks and credit unions that have a presence in the community. Successful Bank On programs will include leadership and participations from at least half the financial institutions in a service area.
 - Community Organizations - United Way, Purdue Cooperative Extension and community organizations that work with the target populations may play multiple roles: convener, provider of financial literacy/coaching and access to target populations. Some community organizations helped to convene focus groups of prospective clients in order to understand local barriers and opportunities.
 - Elected Officials – Elected officials often bring attention to the issue with public relations or marketing.
 - Communications and Documentation – The Local Bank On initiative should hold regular meetings to plan and monitor Bank On activities. Meeting should be documented with regular communications among participating organizations.

2. **Research:** While formal research is not needed, Bank On planners should understand the local need, opportunity and barriers before designing an approach.
 - What is the population of the unbanked in the service area/county? How many? What are the demographics?
 - What are the barriers for this population? What are the variables unique to this community?
 - What is the market opportunity for both clients and financial institutions?
 - What organizations are already working in the area of financial stability? (Do a quick inventory of programs, including 2-1-1, financial literacy classes and coaching, VITA, mortgage counseling, debt repair, housing preparation counseling, etc.)

3. **Planning and Development:** While new programs may “borrow” materials from existing programs, a new Bank On campaign takes several months to plan and develop before launching in a new service area.
- Informational meetings: Hold informational meeting(s) with all area financial institutions and community organizations to gauge interest, need and opportunity. Many communities have created Memorandum of Understanding (MOU) for the financial institutions and the community organizations participating in the Bank On campaign.
 - Possible focus groups: Work with community organizations to hold focus groups to document local residents’ financial services needs
 - Committee Development: Successful Bank On campaigns will include a Local Bank On Committee (sometimes called an initiative or a committee of a larger asset-building coalition) and will include at least four committees: product, marketing, financial education and tracking committees. The Local Bank On Initiative should have co-chairs that include both a financial institution and a community organization, and if applicable, representation from the participating elected official. Each committee will be co-chaired by a financial institution and a community organization. In larger communities, the Product Committee is co-chaired by a bank and a credit union. Other committee members will come from initiative, coalition or community. *While new Bank On programs will likely “borrow” ideas and materials from other communities, it is important for local Bank On committees to think through the alternatives and at minimum, to affirm decisions.* Many financial institutions have already expressed that they do NOT want to create different Bank On products for individual communities within their same “footprint.” Consequently, your “product line” and tracking elements may be very similar to other communities. The financial education and marketing perhaps may be more locally driven, depending upon participating organizations and media markets.
 - Timeline: Working in tandem, the co-chairs of the four committees will develop a target launch date and work plan with tasks to meet that date. Individual committees will meet regularly, yet it is critical to have the full group meet at minimum every 4-6 weeks to ensure plans are developed in a coordinated manner.
4. **Bank On Financial Products:**
- Financial Products: A set of “Bank On” products should meet the minimum expectations of 1) being opened by individuals with ChexSystems records (excluding fraud), 2) being low-cost or free to open, 3) have no minimum balance requirements, 4) free basic online services, and 5) possibly waive first set of NSF/overdraft fees (though this will not be promoted to the public). Finalize participation commitments from financial institutions. (See note above about common products used by financial institutions with locations throughout the state.)
 - Memorandum of Understanding (MOU): Many campaigns utilize formal MOUs to affirm initial and ongoing participation in Local Bank On.
 - Internal Training: It is critical that each participating financial institution conduct training to ensure effective communication of the program’s goals, operations, and tracking needs (i.e. all tellers should know about “Bank On” products.) The local Bank On committee may distribute a Frequently Asked Questions document institutions can customize for internal use

5. **Financial education Plan:** Financial education for consumers is a cornerstone of a successful Bank On campaign. The financial education committee should:
 - Catalogue existing financial education resources in your community/
 - Determine whether existing resources address account management topics and determine the most appropriate structure for advancing financial education in your community.
 - Select a curriculum and conduct a “train the trainer” session for all educators. Other cities have established “core competencies” that should be included in existing curricula for participants to receive a “Bank on” certificate.
 - Publicize the locations and schedule of availability of free financial education opportunities which include account management.

6. **Marketing and Outreach Plan:** The amount of creativity and variance from other Bank On programs will depend in part on the participating financial institutions and the proximity to other Bank On campaigns and media markets.
 - Each local Bank On campaign should have a marketing and outreach plan. Some communities elect to use a media approach to drive consumers to Bank On products. Other Communities use a community-level approach where community organizations provide outreach, and in some cases, pre-qualify potential participants through on-site financial education classes.
 - Local Bank On initiatives may want to provide a localized name, i.e. “Bank On Huntington County.” Local Bank On initiatives may want to consider using “*Bank On Indiana*” or simply “Bank On” (multi-county regions, in another media market, etc.).
 - Each local Bank On campaign should secure the resources needed to achieve marketing objectives described in its marketing plan. (*Bank On Indiana* participants will have access to marketing materials that may be customized for local use.)

7. **Coordinated Tracking / Evaluation:** The Tracking Committee usually develops a method of tracking activity and success of Bank On campaign.
 - Most Bank On initiatives work with the federal banking regulators to obtain aggregated information about number of bank accounts opened, types of accounts and number of accounts remaining in good standing after a period of time. (NOTE: Bank On Indiana Steering Committee is working on statewide online system for reporting, as we understand regulators are not able to track for new communities.)
 - Some communities will develop a tracking system for individual clients to look at more longitudinal data related to other desired outcomes (maintained accounts, stepping up to “next level” of accounts, savings objectives, etc.)

8. **Launch Date, Ongoing Communications and Active Status**
 - Set a soft launch of the products at least two weeks prior to the public announcement that the program has begun. Test with local financial institutions. Make sure that staff are trained, window clings (or other marketing materials) are available and that tracking methods are formalized.
 - Publicly announce that the products are available.
 - Continue monitoring activities and progress, making adjustments to improve outcomes. Continue communications with partners.
 - Participate in Bank on Indiana conference calls and online meetings (3-4/yr).